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HOW MINISTRY-LEVEL ALLOCATIONS COMPARE (in ₹ crore)

MINISTRY	BE FY21	Actual FY20*	BE FY21	BE FY22	% CHG
Housing & Urban Affairs	50,039.9	28,104.62	46,791	54,581	9.07%
Health & Family Welfare	67,111.8	59,117.11	82,928.3	73,932	10.16%
Education (HRD)	99,311.52	58,558.1	85,089	93,224	6.13%
Railways	72,215.63	42,828.51	1,11,233.63	1,10,055	53.39%
Road Transport & Highways	91,823.22	72,380.97	1,01,823.22	1,18,101	28.62%
Agriculture & Farmers' Welfare	1,42,762.35	97,640.6	1,24,520.4	1,31,531.2	7.87%
Rural Development	1,22,398.43	1,57,298.81	1,98,628.7	1,33,690	8.45%
Home Affairs	1,67,250.33	1,49,388.11	1,06,534.4	1,66,546.94	0.42%
Consumer Affairs, Food, & PDS	1,24,535.43	1,51,195.6	4,50,686.63	2,56,948	106.32%
Defence	4,71,378	3,38,634.4	4,84,736	4,78,196	1.45%

*Actual Exp FY21: Up to Dec 2020

MAJOR SCHEMES (in ₹ crore)

SCHEME	BE FY21	BE FY21	BE FY22	% CHG
MGNREGA	61,500	1,11,500	73,000	18.7%
PM Kisan	75,000	65,000	65,000	8.33%
National Education Mission	39,161	28,244	34,300	12.4%
National Health Mission	34,115	35,554	37,130	8.8%
Jal Jeevan Mission	11,500	11,000	50,011	335%
AMRUT & Smart Cities	13,750	9,850	13,750	0%

Source: Budget document

Higher allocation to health and rural jobs programme, while universal water supply scheme has seen a five-fold jump. But outlay cut down for Modi's flagship PM-Kisan scheme

MEGA BUDGET SPEND ON ROADS INFRASTRUCTURE • POLL-BOUND STATES GET MAMMOTH SHARE BUT OTHERS LEFT OUT • TWEAKS IN EXCISE AND CUSTOMS DUTIES • DOOR WIDE OPEN FOR FOREIGN INSURANCE FIRMS

Low fuel, full throttle

DISINVESTMENT



TARGET
₹1.75 Lakh cr

ON THE CARDS

Stake sale in public sector companies and financial institutions, including 2 PSU banks and one insurance company

Govt wants to divest public-sector companies in non-strategic sectors

UP FOR SALE

- IDBI Bank ■ BPCL
- Shipping Corp
- Container Corporation
- Neelachal Ispat Nigam

LIC IPO

Govt plans legislative amendments for LIC IPO in 2021-22

NITI Aayog to prepare next list of central public sector companies that can be divested

SUNITHA NATHI

THERE are no good finance ministers, only lucky ones. Unarguably, Nirmala Sitharaman has been the unluckiest.

After "boring and disappointing" budgets, she has boned up on the task and delivered a sensible, growth-oriented budget prioritising investments over fiscal consolidation, a stable tax regime, and spring-cleaning stressed assets and government's books.

The Covid pandemic toppled the arithmetic alchemy in FY21, where expenses and debt rose and income fell. Fiscal deficit will breach past 9.5% largely due to the food subsidy bill, for which government cut a ₹1.5 lakh crore cheque. With this, the UPA-era off-budget financing gets a quiet burial, the nation's balance sheet reflects reality and the government wins investors' trust for transparency and deficit realism.

In FY22, expenditure at ₹34.83 lakh crore is barely ₹33,000 crore over FY21 — the lowest ever increase in decades. But what sets this budget apart is the quality of expenditure. As Sitharaman tried balancing between thrift and spendthrift, revenue expenditure is tipped for the chop, while capex will jump 34% at ₹5.54 lakh crore — just what's needed for job creation and growth recovery.

Fiscal deficit will reduce to 6.8% of GDP from 9.5% in FY21, not because tax revenue will be back to its best behaviour, but be-

cause of expenditure rationalisation from 17.7% to 15.6% of GDP. Perhaps, the FM hopes in private, that revenue collections will be better than projections.

Among sectors, healthcare will get rolls of crisp currency notes aggregating ₹2.38 lakh crore, but since this includes water and sanitation allocations, Sitharaman's sincere efforts couldn't win either the expert or the ordinary.

FY21 fiscal deficit pegged at 9.5%

The Centre on Monday pegged the fiscal deficit for FY21 at 9.5%, higher than what analysts have predicted as it increased spending, sidestepping the concerns over the impact on the sovereign rating by taking fiscal expansionary stance | P13

Agriculture credit has been raised to ₹16.5 lakh crore and so are allocations for defence — somewhat marginal despite the China threat — education and others. However, there was a marked absence of targeted support for distressed households, who for now must survive largely on love. And as if poking on the ribs, interest earned on annual PF contribution exceeding ₹2.5 lakh is taxable from April. Once taxation begins, it only goes upwards.

Additionally, a farm cess on a few items aims to raise ₹30,000

crore, or 0.1% of GDP. As for banks, there's a sniper in the woods (bad loans) so government will set up a bad bank at last.

Infrastructure got more than one gold vein to pump the heart of the economy. The proposed Development Financial Institution is a good egg though investing in Indian infra has historically been considered risky. The asset monetisation drive will see almost everything that's saleable at PSUs hanging a for-sale sign. They can rake in the dough only if buyers don't jockey for bargains.

Perhaps FY22 will be a year of privatisation starting with two state-run banks and an insurer. We already have a few jilted brides in LIC, BPCL and Air India and disinvestment proceeds have always been the bridesmaid. So, strategic sale of PSUs will rest not on government's willingness but its resolve to amend laws.

In all, the Budget's spirit is willing, but the flesh is weak with Sitharaman playing schwäbische Hausfrau — southern Germany's pragmatic Swabian housewife — to guard the nation's finances. The FM should have used the decade's first budget setting a definitive agenda for the future and not just the next 12 months. India will be the world's fastest growing economy. At this moment, we've only got one chance and Sitharaman could have displayed a seat-of-the-pants ability to regain our rightful place in the sun.

New agriculture cess could leave states much poorer

EXPRESS NEWS SERVICE @ New Delhi

THE FM on Monday imposed agricultural infrastructure cess on a host of commodities from petrol to alcohol to gold and silver. While it won't raise costs for the consumer as central excise and customs duties will be cut in tandem, the tweaks mean less money for states from the central coffers.

States get no share of central cesses such as those on education, road and infrastructure. While the exact amount of money which the states will lose out is yet to be worked out, officials say some ₹30,000 crore will come from the new cess. This year, the total income from cen-

tral excise and customs duty stood at ₹4.73 lakh crore.

To absorb the new Agriculture Infrastructure and Development Cess (AIDC) of ₹2.5 a litre on petroleum, the Centre has cut the basic excise duty on petrol from ₹2.98 to ₹1.4 and from ₹4.83 to ₹1.8 a litre for diesel.

A similar adjustment has been made for alcoholic beverages that currently attract 150% basic customs duty. It has been cut to 50% to soak in 100% AIDC. While the tippler will continue to pay the same price, states will lose out on revenues. Among products affected by AIDC are gold and silver (2.5%), crude palm oil (17.5%), apples (35%), and cotton (5%).



READY TO DELIVER
Finance Minister Nirmala Sitharaman with her team before leaving the Finance ministry for Parliament to present the Budget, in New Delhi on Monday | SNEHARYADY



MYANMAR COUP, SUU KYI DETAINED

Myanmar's military staged a coup on Monday and detained many politicians, including Nobel laureate Aung San Suu Kyi. The military blamed it on the government for not acting on claims of fraud in November's elections in which Suu Kyi's party won a majority in Parliament | P12

Delhi barricaded, crackdown on Twitter

EXPRESS NEWS SERVICE @ New Delhi

THE crackdown following the Republic Day violence here continued on Monday with the police installing spikes on the road at one of the farmer protest sites, erecting cement walls, barricading arterial roads and even temporarily getting Twitter to suspend 250 accounts.

The government also extended the ban on internet services at Singhu, Ghazipur and Tikri borders till Tuesday night. There will be no internet in adjoining areas either.

The suspension, which came into effect on January 29, was to be in place till 11 pm on January 31. The government said this is done for "public safety".

At the Singhu border, workers under police supervision were seen hooking iron rods between rows of cement barriers on a flank of the highway to restrict the movement of farmers.

Another portion of the highway at the Delhi-Haryana border was blocked by a newly-built cement wall. Farmers put up a brave front and said these barricades would not "cage" their spirit.

On the government's request, Twitter blocked about 250 accounts for a few hours for "fake, intimidatory and provocative tweets." The request to suspend the accounts, sources said, was made to prevent the "escalation of law and order (situation) in view of the ongoing farmer agitation".



Nails fixed on the road at Ghazipur to stop farmers from crossing border | PARVEEN NEGI

SUSPENSIONS REVOKED

Twitter restored most of the accounts by late evening. Among those whose accounts that were suspended were Kisan Ekta Morcha (@Kisanektamorcha) and BKU Ekta Ughahan (@Bkuektagruhan), both having thousands of followers



- CHENNAI • MADURAI • VILAYUVAKUDI
- BANGALURU • KOCHI • HYDERABAD
- VISAKHAPATNAM • COIMBATORE
- KODAIKANAL • THIRUVANANTHAPURAM
- BELAGAVI • BHUBANESWAR
- SHIMLAGH • MANGALURU
- THIRUPATI • THIRUCHIRAPPALLI
- SAMBALPUR • HUBBALLI
- DHARMAPUR • KOTTAYAM • KANNUR
- VILLUPURAM • KOLLAM • WARANGAL
- TADIPALLI • GUDUR • NAGAPATTINAM
- THIRUVARUR • KALABURGI

2,314.84

The stockmarkets gave a big thumbs up to the Budget with the BSE Sensex rallying over 2,000 points to close at 48,600.61 on Monday

UNION BUDGET 2021-22 DECODED

TAX PROPOSALS

While the FM did not change the income tax rates or slabs, a slew of other measures were taken to ease the burden on taxpayers

Senior citizens aged 75 years and above having only pension and interest income exempt from filing ITRs. Their bank will deduct the necessary tax on their income

Additional tax deduction of ₹1.5 lakh on interest paid on loan taken to buy affordable home extended till Mar 31, 2022

'Faceless' dispute resolution committee for small tax payers with taxable income of up to ₹50 lakh

This means the Income Tax Appellate Tribunal will also go faceless and all procedures will be carried out electronically

Threshold for tax audit increased from ₹5 crore to ₹10 crore for those transacting 95% digitally

Pre-filing of returns will also cover capital gains from listed securities, dividend income, etc

Dividend payment to Real Estate Investment Trusts / Infra Investment Trusts exempt from TDS



Narendra Modi, Prime Minister

Forget putting cash in the hands of people, Modi gov plans to hand over India's assets to his crony capitalist friends

Rahul Gandhi, Congress leader

This is a budget to deceive the masses. It's anti-farmer, anti-people and anti-country budget

Mamata Banerjee, West Bengal CM

Our demand was to hike price of crops, not agri credit. They didn't talk about MSP. There is nothing in it for farmers

Rakesh Tikait, Biju leader

CENTRAL FUNDING FOR METRO BIGGEST GAIN FOR KARNATAKA

EXPRESS NEWS SERVICE @ Bengaluru

KARNATAKA's biggest takeaway from the Union Budget was in the form of urban mobility. Union Finance Minister Nirmala Sitharaman on Monday announced Central counterpart funding for Bengaluru Metro Phase 2 (A) and 2 (B) projects. The 58.19 km stretch from Central Silk Board junction to KR Puram and KR Puram to Kempegowda International Airport is estimated to cost ₹14,778 crore, of which the Union Government's direct funding is about 15 per cent.

Karnataka will also stand to gain from the Bengaluru-Chennai Expressway under flagship projects schemes. The 278-km expressway's construction will begin in 2021-22, as per the budget document.

Apart from these, the State did not receive any direct big-ticket projects. But allocation to R&D, health, agriculture, education, urban area sanitation, extension of tax holiday to startups, capital gain exemptions, and incentivising innovation and one-person companies, etc is expected to trickle down as a boost to the economy. While opposition leaders criticised the budget for handing Karnataka a raw deal, BJP leaders, including CM BS Yediyurappa, hailed it as a pro-poor and pro-middle class budget. Many, including ministers, insisted that ₹14,778 crore was allocated for Bengaluru Metro, but a closer look suggests otherwise. The FM only announced Central counterpart funding of the total project cost of ₹14,778 crore. The Centre funds 15 per cent of the cost, 35 is raised from multilateral and bilateral development agencies through the Union Government, 35 per cent is funded by the State Government and the remaining 15 per cent is raised from the private sector.

"The announcement of ORR-Airport Metro is a big support for public transport and economic activities in Bengaluru. Next two steps for formal approval are consideration and recommendation by the Public Investment Board and approval by the CCEA. MoHUA is working to get these two steps completed within March 2021," said Ajay Seth, MD, EMRCL.

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OVER 6% DROP IN EDUCATION ALLOCATION | P10

EXPRESS READ



Ruling on journo's bail plea today

New Delhi: A Delhi court will pass the order on Tuesday on the bail plea of freelance journalist Mandeep Puri arrested by the Delhi Police from the Singhu border protest site where farmers are agitating against the three contentious agri laws. Chief Metropolitan Magistrate Satvir Singh Lamba reserved the order for Tuesday after hearing arguments from both sides